

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

200 W. Washington, Suite 301
Indianapolis, IN 46204
(317) 233-0696
<http://www.in.gov/legislative>

FISCAL IMPACT STATEMENT

LS 6618

BILL NUMBER: SB 209

NOTE PREPARED: Jan 27, 2010

BILL AMENDED: Jan 26, 2010

SUBJECT: Environmental Issues.

FIRST AUTHOR: Sen. Gard

FIRST SPONSOR:

BILL STATUS: 2nd Reading - 1st House

FUNDS AFFECTED: X **GENERAL**
DEDICATED
FEDERAL

IMPACT: State & Local

Summary of Legislation: (Amended) *Electronic Digital Signature Act*. The bill provides that the Electronic Digital Signature Act does not apply to the Department of Environmental Management (IDEM).

Definitions. This bill amends the definitions of "owner" and "operator" and defines "foreclosure" to delineate exceptions from potential liability for cleanup that (1) are consistent with federal law under underground storage tank (UST), petroleum facility, and hazardous substance facility statutes; and (2) apply to lenders that foreclose on sites at which they did not participate in management before foreclosure and that undertake certain enumerated activities after foreclosure. purposes of the UST statutes. It replaces the undefined term "sanitary landfill" with "solid waste landfill". For purposes of wastewater management statutes, the bill replaces the term "wastewater" with "septage".

Deadlines for Action by Department of Environmental Management. This bill establishes deadlines for action by IDEM on various permit applications with respect to certain solid waste processing facilities.

Drinking Water/Waste Water Operator Certification. The bill expands the grounds on which the commissioner of IDEM may suspend or revoke a drinking water or wastewater operator certification. It provides that wastewater management statutes apply to land application of septage.

Environmental Restrictive Ordinance (ERO). The bill provides that an ERO is an ordinance adopted by a municipal corporation that seeks to control the use of groundwater in a manner and to a degree that protects human health and the environment against unacceptable exposure to a release of hazardous substances, petroleum, or both. It requires IDEM to give written notice to a municipal corporation that IDEM is relying on an ERO adopted by the municipal corporation as part of a risk-based remediation proposal. The bill

requires a municipal corporation to notify IDEM of adoption, repeal, or amendment of an ERO only if the municipal corporation received that written notice.

Adopting Rules. The bill allows, in streamlined rulemaking processes, the adoption of a proposed rule with amendments at the public hearing, and requires that the amendments meet logical outgrowth requirements.

Underground Petroleum Storage Tank Excess Liability Trust Fund. The bill modifies the deductible for claims against the fund by certain underground storage tank owners.

Effective Date: (Amended) Upon passage; July 1, 2010.

Explanation of State Expenditures: *Electronic Digital Signature Act.* The impact of this provision on IDEM expenditures, though not expected to be significant, can not be readily quantified.

Environmental Restrictive Ordinance. The bill requires IDEM to give written notice to a municipal corporation that IDEM is relying on an ERO adopted by the municipal corporation as part of a risk-based remediation proposal. The bill requires a municipal corporation to notify IDEM of adoption, repeal, or amendment of an ERO only if the municipal corporation received that written notice. The above requirement is within IDEM's routine administrative functions and should be able to be implemented with no additional appropriations.

Drinking Water/Waste Water Operator Certification. The bill allows suspension or revocation of a drinking water or wastewater operator certification if another state has decertified or taken similar action against the operator. This provision could result in a reduction in expenses associated with IDEM's having to document a case for suspension or revocation of a certification.

Adopting Rules. Streamlining the rulemaking process could reduce expenditures associated with rulemaking.

Underground Petroleum Storage Tank Excess Liability Trust Fund. The bill modifies the deductible for claims against the fund by certain underground storage tank owners. The impact that this provision will have on expenditures from the ELTF will depend on the number and nature of future claims.

Explanation of State Revenues:

Explanation of Local Expenditures: *Environmental Restrictive Ordinance.* The bill requires a municipal corporation to notify IDEM of adoption, repeal, or amendment of an ERO only if the municipal corporation received that written notice. The impact of this provision on local expenses is not expected to be significant.

Explanation of Local Revenues:

State Agencies Affected: IDEM.

Local Agencies Affected: Units responsible for water treatment plants and water distribution systems; Municipal corporations.

Information Sources:

Fiscal Analyst: Bernadette Bartlett, 317-232-9586.